

UNITED STATES DISTRICT COURT

FOR THE WESTERN DISTRICT OF WISCONSIN

\* \* \* \* \*

UNITED STATES OF AMERICA,

Plaintiff,

vs.

Case No. 20-CR-020-JDP

DANIEL PEGGS,

Madison, Wisconsin

August 20, 2021

Defendant.

10:30 a.m.

\* \* \* \* \*

STENOGRAPHIC TRANSCRIPT OF PLEA HEARING  
HELD BEFORE CHIEF JUDGE JAMES D. PETERSON

APPEARANCES:

For the Plaintiff:

Office of the United States Attorney  
BY: JULIE S. PFLUGER  
Assistant United States Attorney  
222 West Washington Avenue, Suite 700  
Madison, Wisconsin 53703

For the Defendant:

Federal Defender Services of Wisconsin, Inc.  
BY: JOSEPH A. BUGNI  
JESSICA ETTINGER  
Madison Branch Office  
22 East Mifflin Street, Suite 1000  
Madison, Wisconsin 53703

Also Present:

Daniel Peggs, Defendant

CHERYL A. SEEMAN, RMR, CRR  
Official Court Reporter  
United States District Court  
120 North Henry Street, Room 410  
Madison, Wisconsin 53703  
1-608-261-5708

1 (Called to order 10:30 a.m.)

2 THE CLERK: Case No. 20-CR-20, *United States of*  
3 *America v. Daniel Peggs*, called for a plea hearing. May  
4 we have the appearances, please?

5 MS. PFLUGER: Julie Pfluger on behalf of the  
6 United States. Good afternoon, Your Honor.

7 THE COURT: Good morning.

8 MS. PFLUGER: Good morning.

9 MR. BUGNI: Good morning, Your Honor. Joe Bugni  
10 and Jessica Ettinger appear on behalf of Dan Peggs.

11 THE COURT: All right. Good morning to all of  
12 you. So we're here for a plea hearing that's based on a  
13 written plea agreement that's been provided to the Court.  
14 Let me begin by addressing the numbers of people in the  
15 courtroom.

16 I've gotten a heads-up from both sides about the  
17 public interest that the case has generated. What we do  
18 here in court is, for the most part, entirely public.  
19 You're welcome to be here in court. I have received many  
20 letters in the case already. I expect to receive more by  
21 the time of sentencing. Your input is welcome. I've read  
22 many of the letters already. I assure you that by the  
23 time of sentencing, I will read all of the letters that I  
24 get, so your input is welcome.

25 I will get a great deal of information about this

1 case; not just the letters from the public, but I will get  
2 a very comprehensive presentence report that will not  
3 itself be public. So I will have more information than  
4 the public has when I decide about what sentence to impose  
5 here in this case. And that's appropriate because I get  
6 to do a very deep dive into Mr. Peggs' history and some of  
7 that is just not appropriate for public disclosure.

8 My job in the case, as a judge, makes me unique in  
9 the number of people in the courtroom here because I have  
10 to look out for the interests of everyone. I have to look  
11 out for the interests of the public, as expressed by the  
12 prosecution on behalf of the United States of America. I  
13 will of course be very concerned about the public. I  
14 consider protection of the public to be my first and most  
15 important job in criminal matters.

16 But there are other interests that I have to look out  
17 for and not the least of them is the interest of Mr. Peggs  
18 himself. He is a citizen of the United States. He has,  
19 even if he were not a citizen of the United States, he has  
20 got rights under the Constitution of the United States and  
21 I also have an obligation to respect and look out for  
22 those rights.

23 So that is the process that I will engage. As I  
24 said, your participation is welcomed. What we do here in  
25 the court is usually public, with the exception primarily

1 of the presentence report, which will have a vast amount  
2 of information that I will have and the parties will have,  
3 but the public will not have. But your input is welcomed.  
4 So if you want to communicate to me about the case and  
5 about the impact of the case on you, write me a letter and  
6 I will consider it.

7 We will hear directly only from the direct victims of  
8 the case during any hearings. I'll begin by addressing  
9 that. So, Ms. Pfluger, I can tell from your letter that  
10 the direct victim in the case has been informed of our  
11 proceedings today. I got the letter that she wrote and I  
12 don't know if she has any interest in being heard at our  
13 hearing today.

14 MS. PFLUGER: At this point she doesn't.  
15 However, if she changes her mind, then I will be informed.

16 THE COURT: All right. Very good. Thank you.  
17 Let's begin with the plea hearing. Mr. Bugni, have you  
18 and Mr. Peggs received a copy of the information?

19 MR. BUGNI: We have, Your Honor.

20 THE COURT: All right. And would you like it  
21 read?

22 MR. BUGNI: We would not, Your Honor.

23 THE COURT: Ms. Pfluger, I'll ask you to state  
24 the penalties that Mr. Peggs would face if he were  
25 convicted.

1 MS. PFLUGER: If Mr. Peggs is convicted of  
2 possession of child pornography under Title 18, United  
3 States Code, Section 2252(a)(4)(B), the maximum penalties  
4 is ten years incarceration, a \$250,000 fine, a period of  
5 at least five years supervised release, up to life  
6 supervised release, a \$100 special assessment and an  
7 appropriate order of restitution for damages to the  
8 victim.

9 THE COURT: Thank you. Mr. Bugni, have you  
10 talked with Mr. Peggs about the charges he faces, the  
11 penalties that could result and whether he has any  
12 defenses?

13 MR. BUGNI: I have, Your Honor.

14 THE COURT: Mr. Peggs, my understanding is that  
15 you're prepared to enter a plea of guilty today for the  
16 charge in the information. Is that correct?

17 THE DEFENDANT: Yes, sir. Yes, Your Honor.

18 THE COURT: All right. The purpose of this  
19 hearing is to make sure that you're capable of proceeding  
20 today, that your plea is really a voluntary one, and that  
21 you understand both the charges you face and the penalties  
22 that could result. I also have to make sure that there's  
23 a factual basis for the plea, which means that there's  
24 reason for me to believe that you're actually guilty and  
25 that you'll admit that you committed the crime that's

1 charged. I also need to review the rights that you would  
2 give up if you choose to plead guilty.

3 So I have to ask you some questions that you will  
4 have to answer under oath. So I'll ask you to stand up,  
5 raise your right hand, and the clerk is going to swear you  
6 to tell the truth.

7 **DANIEL PEGGS, DEFENDANT, SWORN**

8 THE COURT: All right. You can have a seat. And  
9 I need to warn you that now that you've been sworn to tell  
10 the truth, if you knowingly give any false answers to any  
11 of my questions, you could be prosecuted for perjury. Do  
12 you understand that?

13 THE DEFENDANT: I do.

14 THE COURT: So my first questions are to make  
15 sure that you're capable of proceeding today. So let's  
16 begin with this: Tell me how old you are and how much  
17 formal education you've had.

18 THE DEFENDANT: I'm 34 years old, Your Honor, and  
19 I have a master's degree and a partial doctorate degree.

20 THE COURT: You have signed a plea agreement that  
21 was several pages long. Were you able to read it and  
22 understand it before you signed it?

23 THE DEFENDANT: Yes, Your Honor.

24 THE COURT: Let's find out if there's anything  
25 that would interfere with your understanding or your

1 decision-making today. Do you suffer from any physical or  
2 mental illness?

3 THE DEFENDANT: I do not, Your Honor.

4 THE COURT: Do you take any medication?

5 THE DEFENDANT: I do not.

6 THE COURT: Are you addicted to drugs or alcohol?

7 THE DEFENDANT: I am not.

8 THE COURT: Are you under the influence of any  
9 drugs or alcohol right now?

10 THE DEFENDANT: I am not, Your Honor.

11 THE COURT: Is there any other reason that you  
12 would be unable to follow our proceedings and make a sound  
13 decision about a important matter like whether to plead  
14 guilty to a crime?

15 THE DEFENDANT: No, Your Honor.

16 THE COURT: Mr. Peggs, have you talked with  
17 Mr. Bugni about the nature of the charges that you face?

18 THE DEFENDANT: Yes, I have.

19 THE COURT: Have you talked about the facts the  
20 government thinks it could prove if the case went to  
21 trial?

22 THE DEFENDANT: Yes, I have.

23 THE COURT: Have you talked about whether you  
24 have any defenses to the charges?

25 THE DEFENDANT: Yes, we have.

1           THE COURT: And have you talked about the United  
2 States sentencing guidelines and how those guidelines  
3 might affect the sentence you could receive?

4           THE DEFENDANT: Yes, we have.

5           THE COURT: All right. So tell me what you think  
6 you're being charged with.

7           THE DEFENDANT: I am being charged with  
8 possession of child pornography of a 17-year-old.

9           THE COURT: All right. You understand if I  
10 accept your plea and find you guilty, you could be subject  
11 to the penalties that Ms. Pfluger went over; do you  
12 understand that?

13          THE DEFENDANT: I do.

14          THE COURT: You understand that I could sentence  
15 you to a term of incarceration of up to ten years; do you  
16 understand that?

17          THE DEFENDANT: I do.

18          THE COURT: I could impose a fine of up to  
19 \$250,000. Do you understand that?

20          THE DEFENDANT: I do, Your Honor.

21          THE COURT: I ask you to either pull the  
22 microphone over or speak up just a little bit.

23          THE DEFENDANT: I do, Your Honor.

24          THE COURT: All right. And I will have to impose  
25 the mandatory \$100 criminal assessment penalty. Do you



1 understand?

2 THE DEFENDANT: Yes.

3 THE COURT: Restitution, if it is requested by  
4 the victim, will also be part of the order that I will  
5 make in this case. And you understand that I will order  
6 you to pay restitution? That will be part of the judgment  
7 in this case. Do you understand that?

8 THE DEFENDANT: I do, Your Honor.

9 THE COURT: And any period of incarceration would  
10 have to be followed by a period of supervised release  
11 that's at least five years and could be the rest of your  
12 life. Do you understand that?

13 THE DEFENDANT: I do.

14 THE COURT: Do you know how supervised release  
15 works?

16 THE DEFENDANT: I do.

17 THE COURT: So you understand that I would impose  
18 certain conditions and restrictions on you. You'd have to  
19 report in regularly to a supervising officer. And if you  
20 were to violate any of the conditions or restrictions, I  
21 could revoke your supervised release and send you back to  
22 prison for violating the conditions. Do you understand  
23 that?

24 THE DEFENDANT: I do.

25 THE COURT: Let's talk about the Federal

1 Sentencing Guidelines. So as I mentioned at the beginning  
2 of the hearing, the probation office will prepare a  
3 presentence report that will include much of the  
4 information that I will use in determining your sentence,  
5 that and what I hear at your sentencing hearing. And one  
6 of the things that that report will do will be to  
7 calculate the sentencing range that's recommended under  
8 the United States sentencing guidelines and I want to make  
9 a few points about how that guideline range is calculated.

10 So the starting point will be the offense level that  
11 the guidelines assign to the crime that you're thinking  
12 about pleading guilty to. Do you understand that that's  
13 the starting point?

14 THE DEFENDANT: Yes, I do.

15 THE COURT: I need to make sure that you  
16 understand that in considering the guideline range, we're  
17 not limited just to the information in the information  
18 that you're pleading guilty to, but we could look more  
19 broadly at your criminal conduct and consider more broadly  
20 what your crime was and how it was committed. Do you  
21 understand that we're not limited just to the indictment,  
22 but we'll consider what we call relevant conduct?

23 THE DEFENDANT: I do, yes.

24 THE COURT: All right. And so the fact that  
25 you've accepted responsibility by agreeing to plead

1 guilty, that would be a factor that counts in your favor  
2 under the guideline system. Do you understand that?

3 THE DEFENDANT: Yes, Your Honor.

4 THE COURT: I want to make sure you understand  
5 that the general perspective of the guidelines is to  
6 consider a broad range of factors about you and your  
7 background and your crime and how it was committed. Do  
8 you understand it's designed to consider a broad range of  
9 factors?

10 THE DEFENDANT: Yes.

11 THE COURT: Let's talk about the process a little  
12 bit. So the presentence report will be prepared in draft  
13 form. You will get a copy to review with your lawyers,  
14 the government will get a copy and I'll get a copy. And  
15 both sides then have the opportunity to object to the  
16 report if they think there's something incorrect in the  
17 report or something important has been left out or if the  
18 guidelines aren't calculated right. So you understand  
19 that you have the right to object to the report?

20 THE DEFENDANT: Yes, Your Honor.

21 THE COURT: Okay. And so that means that you  
22 should make sure you review the report carefully and go  
23 over it with your lawyers. Will you do that?

24 THE DEFENDANT: Yes, sir.

25 THE COURT: All right. Then at your sentencing

1 hearing, or perhaps before if there are complicated issues  
2 that are raised by the objections, I will rule on the  
3 objections and make a final decision about what should go  
4 in your report and what should be the correctly-calculated  
5 guideline -- what the correctly calculated guideline range  
6 should be. So do you understand that process?

7 THE DEFENDANT: I do, Your Honor.

8 THE COURT: Here's the most important thing to  
9 take away from our discussion of the guidelines: they're  
10 advisory. I will consider them, but I don't have to  
11 follow them. I can sentence you above the guideline range  
12 or below the guideline range if that's what I think is  
13 appropriate after I consider everything the law tells me I  
14 should consider. Do you understand that the guidelines  
15 are only advisory?

16 THE DEFENDANT: Yes, sir.

17 THE COURT: By pleading guilty today, you will  
18 give up some constitutional rights that you have as a  
19 person who's been accused of a crime. I want to review  
20 some of those rights with you.

21 First of all, let's talk about the information. You  
22 understand that under the Constitution of the United  
23 States, you have a right to require that the government  
24 get an indictment against you before they can prosecute  
25 you for a crime?

1 THE DEFENDANT: Yes.

2 THE COURT: And you know that the indictment has  
3 to be presented to the grand jury? The grand jury has 23  
4 members on it. They're drawn from this judicial district.  
5 There has to be 16 members of the grand jury present to  
6 conduct any business. And an indictment can't be returned  
7 unless 12 people, that's a majority of the grand jury,  
8 vote that there is probable cause to believe a crime has  
9 been committed and that you're the person who committed  
10 it. You understand what it takes to get an indictment?

11 THE DEFENDANT: I do, Your Honor.

12 THE COURT: The information, that is just a  
13 written statement of the charges against you that has not  
14 been presented to the grand jury. Are you willing to  
15 waive your right to have the government secure an  
16 indictment against you and proceed on the basis of the  
17 information, which is just a written statement of the  
18 charges?

19 THE DEFENDANT: I am.

20 THE COURT: All right. I have the waiver of  
21 indictment form. It looks like it's got Mr. Bugni's  
22 signature and yours. Is that correct?

23 THE DEFENDANT: That's correct, Your Honor.

24 THE COURT: Okay. I will sign that agreement and  
25 enter it and we'll proceed on the basis of the

1 information.

2 MS. PFLUGER: Your Honor, I believe one has  
3 already been entered on the docket, Mr. Bugni and I were  
4 discussing that, but you can check on that.

5 THE COURT: I did see it on the docket, but I  
6 haven't signed it. So I'll sign this one and then we'll  
7 enter that on the docket.

8 By pleading guilty today, you will give up your right  
9 to proceed to a jury trial. So do you understand you have  
10 the right to go to a jury trial and have the jury decide  
11 if you're guilty?

12 THE DEFENDANT: Yes.

13 THE COURT: And you understand that you could be  
14 convicted only if all 12 members of the jury unanimously  
15 agreed that the government had proved you guilty beyond a  
16 reasonable doubt; do you understand that?

17 THE DEFENDANT: I do, Your Honor.

18 THE COURT: And you and your lawyers would be  
19 able to help select the people who would serve on that  
20 jury. Do you understand that?

21 THE DEFENDANT: I do, Your Honor.

22 THE COURT: Under the Constitution of the United  
23 States, no one can be forced to admit that they have  
24 committed a crime. That means you do not have to plead  
25 guilty. You have a right to stick with a plea of not

1 guilty. Do you understand that?

2 THE DEFENDANT: I do.

3 THE COURT: And if the case went to trial, it  
4 would also mean that you would not have to testify or say  
5 anything and I would tell the jury that they couldn't hold  
6 that against you in any way. Do you understand that?

7 THE DEFENDANT: I do, Your Honor.

8 THE COURT: You wouldn't have to testify. But if  
9 you wanted to testify, you would have that right. Do you  
10 understand you'd have the right to testify if you wanted  
11 to?

12 THE DEFENDANT: I do, Your Honor.

13 THE COURT: You would also have the right to do  
14 what we call confront and cross-examine the government's  
15 witnesses. That means you could confront the witnesses by  
16 facing them in the courtroom; you could cross-examine them  
17 by having your lawyers ask them questions. Do you  
18 understand you'd have those rights?

19 THE DEFENDANT: I do, Your Honor.

20 THE COURT: You'd also have the right to call  
21 your own witnesses. And even if those witnesses didn't  
22 want to come to testify, you could compel their appearance  
23 to testify by using a subpoena. Do you understand you'd  
24 have that right?

25 THE DEFENDANT: I do, Your Honor.

1           THE COURT: A felony offense also affects your  
2 civil rights outside the scope of this proceeding and I  
3 want to review some of the ways that will happen. First  
4 of all, under Wisconsin law, once you've been convicted of  
5 a felony and when you're on any form of supervision, you  
6 would not have the right to vote, the right to hold public  
7 office or the right to serve on a jury. Do you understand  
8 that?

9           THE DEFENDANT: I do, Your Honor.

10          THE COURT: And once you've been convicted of a  
11 felony, you're permanently deprived of the right to  
12 possess any kind of firearm or ammunition for a firearm.  
13 And if you did possess a firearm or ammunition for one,  
14 you could be charged with a new crime for that. Do you  
15 understand that?

16          THE DEFENDANT: I do.

17          THE COURT: If you were not a United States  
18 citizen, a felony conviction could affect your residency  
19 or your immigration status and could result in  
20 immigration-related penalties, including deportation from  
21 the United States. Do you understand that?

22          THE DEFENDANT: I do.

23          THE COURT: Last point about your rights is this:  
24 You've got the right to an attorney through all phases of  
25 this proceeding and that includes an attorney appointed at



1 government expense if you can't afford one. Do you  
2 understand you've got the right to counsel?

3 THE DEFENDANT: I do, Your Honor.

4 THE COURT: All right. Our next task is to  
5 review the plea agreement and I will spend a minute  
6 looking at that. So the plea agreement is in the form of  
7 a letter. It's dated July 12, '21. It's in the form of a  
8 letter from the United States to Mr. Bugni. And at the  
9 end of it, there is your name and a space for your  
10 signature. And it looks like you signed this plea  
11 agreement on July 12. Is that right, did you sign the  
12 plea agreement?

13 THE DEFENDANT: That's correct, Your Honor.

14 THE COURT: And does this letter reflect your  
15 agreement; does it contain your agreement with the  
16 government about your plea?

17 THE DEFENDANT: It does.

18 THE COURT: Mr. Bugni, same question: Is this  
19 your agreement with the government about your client's  
20 plea?

21 MR. BUGNI: It is, Your Honor.

22 THE COURT: And, Ms. Pfluger, same question: Is  
23 this the government's agreement with Mr. Peggs about his  
24 plea?

25 MS. PFLUGER: It is.

1           THE COURT: All right. Mr. Peggs, did anyone  
2 make any other promises to get you to plead guilty?

3           THE DEFENDANT: They have not, Your Honor.

4           THE COURT: Did anyone threaten you or try to  
5 force you to plead guilty?

6           THE DEFENDANT: No, Your Honor.

7           THE COURT: Did anyone tell you that you'll get  
8 some particular sentence in this case?

9           THE DEFENDANT: No, Your Honor.

10          THE COURT: You understand that the sentencing  
11 decision will be up to me? And I'll consider the  
12 guidelines, I'll consider any arguments that either side  
13 makes, but I don't have to follow any of those things.  
14 And if I choose not to follow them, that would not give  
15 you a basis to withdraw your guilty plea. Do you  
16 understand that?

17          THE DEFENDANT: I do, Your Honor.

18          THE COURT: All right. Our next task then is to  
19 determine whether there's a factual basis for the plea.  
20 As I said, that means there's reason for me to believe  
21 that you're really guilty, that you will admit that you  
22 committed the crime. So I'll ask Ms. Pfluger to tell me  
23 what she thinks the government would be prepared to prove  
24 if the case went to trial. When she's done, I'll come  
25 back to both you and your attorney and ask you to confirm

1 that you agree that the government can prove those things.  
2 Ms. Pfluger, go ahead.

3 MS. PFLUGER: Your Honor, would it be acceptable  
4 to the Court if I just highlighted one or two things from  
5 the plea agreement that the Court didn't touch on, just so  
6 we --

7 THE COURT: By all means, yes.

8 MS. PFLUGER: I just would like to highlight  
9 paragraph 5 says that the government will dismiss the  
10 pending indictment at the time of sentencing. But through  
11 this plea agreement, Mr. Peggs knowingly and voluntarily  
12 waives all of his rights to appeal any conviction and  
13 sentence of ten years or less, which basically means any  
14 conviction and sentence because he will get ten years or  
15 less.

16 THE COURT: Yes. And I appreciate your raising  
17 that.

18 MS. PFLUGER: So he is waiving his right to  
19 appeal.

20 THE COURT: Okay.

21 MS. PFLUGER: I also just wanted to point out  
22 paragraph 8, which says that the parties agree that there  
23 are two videos that are videos of the known victim and  
24 that they are the known victim engaged in sexually  
25 explicit conduct. The reason that that is in there, as

1 Mr. Bugni has flagged in his letter yesterday, we were  
2 varied (ph.) it was going to be a guidelines issue in this  
3 case. The government believes that Mr. Peggs actually did  
4 produce child pornography and, therefore, his guidelines  
5 will be a lot higher. Mr. Bugni and Mr. Peggs disagree  
6 with that. But that's why this sentence is in there that  
7 we agreed these images are child pornography.

8 THE COURT: Okay. And let me get Mr. Peggs to  
9 confirm that he understands and agrees with that. So,  
10 first of all, you understand that ordinarily after a  
11 criminal conviction you have certain rights to appeal your  
12 conviction to the Court of Appeals or you have the right  
13 to appeal your sentence to the Court of Appeals if you  
14 think they're unlawful in any way; do you understand?

15 THE DEFENDANT: I do.

16 THE COURT: And in this agreement you're agreeing  
17 that you will waive your right to appeal and you will  
18 accept your conviction and your sentence as long as it's  
19 less than ten years. Do you understand that?

20 THE DEFENDANT: I do understand, yes, Your Honor.

21 THE COURT: And also, in paragraph 8, you're  
22 agreeing that those two files that are identified there in  
23 paragraph 8 -- I won't read the whole file names, but  
24 there are two file names that are identified -- you agree  
25 that those are images of Known Victim No. 1 and do you

1 know who that refers to?

2 THE DEFENDANT: I do, Your Honor.

3 THE COURT: And you agree that those are images  
4 of Known Victim No. 1?

5 THE DEFENDANT: Yes.

6 THE COURT: You agree that she was a minor at the  
7 time those images were made?

8 THE DEFENDANT: Yes, Your Honor.

9 THE COURT: And you agree that in those images,  
10 she is involved in sexually explicit conduct?

11 THE DEFENDANT: Yes, Your Honor.

12 THE COURT: Okay. And have you discussed with  
13 your attorney what the definition of "sexually explicit  
14 conduct" is?

15 THE DEFENDANT: Yes, Your Honor.

16 THE COURT: And you agree that the behavior  
17 depicted in those images constitutes sexually explicit  
18 conduct?

19 THE DEFENDANT: Yes, Your Honor.

20 THE COURT: All right. Thank you, Ms. Pfluger.  
21 Okay. Now for the factual basis.

22 MS. PFLUGER: Mr. Peggs is pleading guilty to  
23 possession of child pornography, so my factual basis will  
24 be just regarding that charge. If this case went to  
25 trial, the government would show that the known victim in

1 this case was born in May of 1998. Then the government  
2 would prove, through testimony of agents and through  
3 Facebook records, that in 2013 Dan Peggs created a false  
4 Facebook profile under the name Jake Thompson.

5 The government would prove through witness testimony,  
6 including Bryan Ragon and law enforcement, that in  
7 September of 2015, Bryan Ragon met the known victim at a  
8 resonance fair in Minneapolis. After the festival, Bryan  
9 Ragon returned to North Carolina and the known victim  
10 returned to Wisconsin. The government would prove that  
11 Bryan Ragon has pled guilty to charges pertaining to the  
12 known victim and is awaiting sentencing in North Carolina  
13 for related charges.

14 The government would prove through witness testimony  
15 and through chats that were retrieved from the known  
16 victim's phone and hard drives that in October 2015, Dan  
17 Peggs met the known victim from a Craigslist ad which was  
18 placed by Bryan Ragon. Dan Peggs began communicating with  
19 Ragon and the known victim under his persona "Jake." His  
20 communication with the known victim and with Bryan Ragon  
21 was primarily about having sex with the known victim and  
22 participating in group sex with the known victim and other  
23 adult men.

24 The government would prove that in October, November  
25 and December 2015, Dan Peggs rented hotel rooms in Rice

1 Lake and Eau Claire, Wisconsin, the government would show  
2 the hotel records, and he met the known victim there. At  
3 times he met her alone and at times he met her with other  
4 adult men and engaged in sexual activity. Some of these  
5 encounters were recorded and some of them Bryan Ragon  
6 watched through live streaming on the internet.

7 The government would then prove, and this is  
8 pertaining to the image that was possessed, that on or  
9 about January 20, 2016, the following chat occurred  
10 between Daniel Peggs and the known victim and the  
11 government would display this chat. The known victim sent  
12 a selfie to Daniel Peggs. It was her in her high school  
13 bathroom. Her shirt was off of her shoulder a little bit  
14 and she was otherwise fully dressed.

15 Dan Peggs responded: "Mmmmm you dirty girl. I'm so  
16 hard. I want more."

17 The known victim then stated: "You want more? Or you  
18 demand more?"

19 Dan Peggs said: "I do. Now."

20 The known victim then sent Daniel Peggs a picture of  
21 herself tied up with black restraints, nude, on a bed.  
22 Her legs were spread. Her vagina was clearly displayed in  
23 this image. And the image is titled the image that is in  
24 the information that is a string of characters. The  
25 government would prove Daniel Peggs received and possessed

1 this image, by his response. His response to getting that  
2 image was: "Ugh that little pussy is so sweet."

3 The known victim learned of Jake's true identity when  
4 Daniel Peggs brought her to a work conference in the  
5 Wisconsin Dells and other people who worked with him  
6 called him "Dan" or "Mr. Peggs."

7 At the time the image was produced, the known victim  
8 was under 18; she was 17. This image was transported to  
9 Dan Peggs by the internet. And all of this occurred in  
10 the Western District of Wisconsin, Eau Claire and Rice  
11 Lake.

12 THE COURT: All right. Mr. Bugni, can the  
13 government prove those things?

14 MR. BUGNI: They can, Your Honor.

15 THE COURT: Mr. Peggs, same question: Can the  
16 government prove those things?

17 THE DEFENDANT: They can, Your Honor.

18 THE COURT: All right. And so let me just be  
19 clear about a few things. So you did receive this image  
20 of the known victim that was, I'll refer to it as, the  
21 picture in which the victim was tied up; is that correct?

22 THE DEFENDANT: It is, Your Honor.

23 THE COURT: Okay. And her genital area is  
24 clearly exposed and displayed in that image; is that  
25 correct?



1 THE DEFENDANT: Yes, Your Honor.

2 THE COURT: Had you spent time with the known  
3 victim before she sent that photograph?

4 THE DEFENDANT: I had, Your Honor.

5 THE COURT: All right. Did you know that she was  
6 17 years old at the time?

7 THE DEFENDANT: At the time of the image?

8 THE COURT: Yes.

9 THE DEFENDANT: I did not, Your Honor.

10 THE COURT: Okay. But prior to receiving that  
11 image, you had spent a reasonable amount of time with her  
12 in person?

13 THE DEFENDANT: Some time, yes, sir.

14 THE COURT: Okay. All right. Ms. Pfluger, is  
15 there anything else you think I need to review?

16 MS. PFLUGER: Your Honor, knowledge of age isn't  
17 necessary here. And I would just like to say that the  
18 known victim disputes what Mr. Peggs just said.

19 THE COURT: I did receive that letter, but it's  
20 not an element.

21 MS. PFLUGER: It's not an element, but I just  
22 wanted to make clear that the known victim -- her  
23 statement is that he did clearly know her age.

24 THE COURT: I understand that. But as for the  
25 element of the charge, all we need to establish is that he

1 had a reasonable opportunity to observe her; is that  
2 correct?

3 MS. PFLUGER: No. That's for sex trafficking.  
4 For this --

5 THE COURT: No knowledge is required whatsoever?

6 MR. BUGNI: No, it is. Sorry. I'm just going to  
7 save your record. You do need to know -- he does have to  
8 know that it was of a minor. That's *X-Citement Video*, a  
9 Supreme Court case. If I can just clarify, Your Honor?

10 THE COURT: Yeah. Go ahead.

11 MR. BUGNI: So we know it's disputed. But if you  
12 look at paragraph 3 of the recently-filed letter, it's at  
13 the casino, which happens in the Wisconsin Dells, that he  
14 learns her age, right? And Mr. Peggs keeps that image  
15 that he received when he didn't know her age, long after  
16 he learned her age.

17 THE COURT: Yeah. Okay. So let's clarify that  
18 then. Mr. Peggs, you knew that she was 17, you continued  
19 to possess the image after you knew that she was 17 years  
20 old; is that correct?

21 THE DEFENDANT: That's correct, Your Honor.

22 THE COURT: All right. Ms. Pfluger, do you agree  
23 that covers that element?

24 MS. PFLUGER: I agree it covers the element. And  
25 again the victim still disputes that when --

1 THE COURT: I understand that.

2 MR. BUGNI: Sorry, one other thing you need.

3 THE COURT: But we need to establish the  
4 admission that if he's going to plea, he has to admit all  
5 of the elements of the crime. So he admits the knowledge  
6 during the time that he possessed it, not when he received  
7 it?

8 MR. BUGNI: Correct. And the device that he  
9 possessed it on, Mr. Peggs, was a what?

10 THE DEFENDANT: It was an iPod.

11 MR. BUGNI: And that iPod was not made in  
12 Wisconsin?

13 MS. PFLUGER: I established that by -- we didn't  
14 charge that it was possessed on that device. We charged  
15 that it was transported by the internet, so that covers  
16 the interstate element.

17 THE COURT: All right. You agree that you  
18 received the image through the internet?

19 THE DEFENDANT: I do.

20 THE COURT: Okay.

21 THE DEFENDANT: Yeah.

22 THE COURT: All right. Let me just check in.  
23 Ms. Pfluger, are you satisfied that we have covered the  
24 factual elements of the crime in the factual basis?

25 MS. PFLUGER: Yes.

1 THE COURT: And, Mr. Bugni, are you?

2 MR. BUGNI: I am, Your Honor.

3 THE COURT: All right. Then I will ask you,  
4 Mr. Peggs, what is your plea to Count 1 of the  
5 information?

6 THE DEFENDANT: Guilty, Your Honor.

7 THE COURT: All right. On the basis of this  
8 discussion with you and with your attorney and on the  
9 basis of the record of the case as a whole, I'm satisfied  
10 that you have entered a plea of guilty knowingly and  
11 voluntarily, that you did so after having an adequate  
12 opportunity to consult with your attorney, that you  
13 understand both the nature of the charge and the  
14 consequences of a plea of guilty. I'm also satisfied that  
15 there's a factual basis for the plea.

16 Accordingly, I find you guilty of the charge  
17 contained in the information. I will accept the plea  
18 agreement only conditionally pending my review of the  
19 presentence report.

20 I will also note, just for the people who are here,  
21 some of the letters made comments about the plea  
22 agreement. But my role, as the judge, is to approve the  
23 plea agreement. But the reasons that I can disapprove the  
24 plea agreement are really quite limited. Most of the  
25 charging decisions are for the United States Government,

1 the prosecutor's office. And so I have limited authority  
2 to reject the plea agreement, but I will accept it only  
3 conditionally pending review of the presentence report.

4 All right. So we've got some scheduling matters to  
5 attend to. I have received information that, because of  
6 the bulk of the discovery in the case, Mariah Stieve, the  
7 probation officer, has asked for some additional time to  
8 prepare the presentence report and she proposes that the  
9 presentence report would be available in October. I'm going  
10 to adjust this a little bit because I don't want to have  
11 the sentencing on the Wednesday before Thanksgiving, so  
12 I'm moving it back a day.

13 So I'm going to propose that we have the presentence  
14 report available on October 21st. That would make your  
15 objections to the presentence report due on November 4th.  
16 And then the sentencing hearing would be on 11/23, which  
17 is the Tuesday before Thanksgiving, and I would propose  
18 that we do it at 1 p.m. in the afternoon. Let's find out  
19 if that schedule works. We'll start with Mr. Bugni. Does  
20 that work for the defense?

21 MR. BUGNI: Yes, Your Honor.

22 THE COURT: And, Ms. Pfluger, does that work for  
23 the government?

24 MS. PFLUGER: It actually doesn't, Your Honor.  
25 I'm sorry. I'm out that week.

1 THE COURT: That's all right.

2 MS. PFLUGER: I could do it the week after or the  
3 week before.

4 THE COURT: Let's take a look. Mr. Bugni, does  
5 the week before -- I'd rather move it up rather than --  
6 we're already taking a little bit more than normal time  
7 with it. So how about --

8 MR. BUGNI: Sorry.

9 THE COURT: Go ahead.

10 MR. BUGNI: I may be in trial -- like, I mean,  
11 nobody ever knows -- but so if we could do it towards the  
12 end of the week of that --

13 THE COURT: I'm looking at that. I have many  
14 cases on my calendar then. So why don't we do it -- let's  
15 do it Friday afternoon at, let's say, 1:30 p.m.

16 And let's see. Let's back up the presentence report  
17 just a tiny bit then, too. Let's go with 10/15, October  
18 15th, for the presentence report and October 29th for  
19 objections. And then the sentencing, we'll look at --  
20 that would be the 19th, October 19th at 1 -- I'm sorry,  
21 November 19th at 1:30 p.m. Does that work, Mr. Bugni?

22 MR. BUGNI: Yes, Your Honor.

23 THE COURT: Ms. Pfluger?

24 MS. PFLUGER: Yes, Your Honor.

25 THE COURT: All right. That's it. So October

1 15th for the report, October 29th for the objections, and  
2 then November 19th, 1:30 p.m., for the sentencing hearing.  
3 That's that Friday of the previous week for the short  
4 Thanksgiving week.

5 Let's talk a little bit. Both of you know that my  
6 normal procedures require sentencing materials two  
7 business days in advance. You've already given me a  
8 heads-up that we have some guideline issues to present.  
9 So do you need my guidance on when to present those? I  
10 assume you want a prehearing ruling on them.

11 MS. PFLUGER: Yes.

12 MR. BUGNI: Yeah. Sorry, Your Honor. I imagine  
13 that we could submit a brief with the original objections,  
14 lay out our position.

15 THE COURT: Okay.

16 MR. BUGNI: And then, you know, I think maybe, as  
17 you did in *Kruchten*, probably the Monday for the  
18 sentencing memos. It's going to be a voluminous amount of  
19 material. I could do the week prior, depending when the  
20 trial is.

21 THE COURT: Yeah, let's do that. So do you need  
22 to respond to each other's objections? Should we -- it  
23 might make sense.

24 MR. BUGNI: She knows what my objections are.  
25 Yeah.

1 THE COURT: Good. Do it at the same time then.

2 MR. BUGNI: Okay.

3 THE COURT: And if you feel compelled to respond,  
4 do it right away --

5 MR. BUGNI: Got it.

6 THE COURT: -- like the next day or two days  
7 later. So I'll just look at your objections, that's the  
8 format where you present the guideline issues, and then I  
9 will get you a ruling within that week and then we'll be  
10 prepared to go for the sentencing.

11 And so I'm getting -- I kind of feel like Mr. Bugni  
12 tells me he's going to give me one of his usual voluminous  
13 sentencing memorandum, which is fine. It's an important  
14 case. But if that's the case, I would like a little bit  
15 more time. So can I have your materials, did you say, the  
16 week before?

17 MR. BUGNI: I would prefer this, yeah.

18 THE COURT: Okay.

19 MR. BUGNI: I could do it two weeks, if you want.

20 THE COURT: Now you're really worrying me. What  
21 do you have in mind?

22 MR. BUGNI: Your Honor, this is 250,000 pages of  
23 discovery.

24 THE COURT: Yeah, but I'm not going to -- you  
25 just have to summarize it for me. I'm not doing a deep



1 dive in it.

2 MR. BUGNI: It's going to be short. It's going  
3 to be -- I mean, I'm not going to waste your time. But I  
4 could do it a week, you know, whatever you need.

5 THE COURT: Let's say a week in advance, so  
6 November 12th. Get your presentence materials in by  
7 November 12th.

8 And for those of you who want to write letters --  
9 many of you may have already written letters, so that's  
10 fine, we've already got them in the books -- but if  
11 anybody wants to write letters, please do that early,  
12 because I've got a lot of letters to review, so November  
13 12th for letters as well. And of course members of the  
14 public may not be here, so I will -- if I get letters even  
15 up to the last minute, I will do everything I can to read  
16 them.

17 So anything else we need to address? Mr. Peggs --  
18 the probation office has no objection to continuing  
19 Mr. Peggs' release on the current conditions. Does the  
20 government want to be heard on that?

21 MS. PFLUGER: No thank you.

22 THE COURT: Okay. Very good. We'll continue.  
23 Mr. Peggs, you're no longer presumed innocent, you stand  
24 convicted, and so I will be particularly strict on the  
25 conditions. I haven't heard any trouble yet, but I want

1 you to know that those conditions will be strictly  
2 enforced.

3 All right. Thank you all. We'll see you in a few  
4 months.

5 (Adjourned at 11:03 a.m.)

6 \*\*\*

7 I, CHERYL A. SEEMAN, Certified Realtime and Merit  
8 Reporter, in and for the State of Wisconsin, certify that  
9 the foregoing is a true and accurate record of the  
10 proceedings held on the 20th day of August, 2021, before  
11 the Honorable James D. Peterson, Chief Judge of the  
12 Western District of Wisconsin, in my presence and reduced  
13 to writing in accordance with my stenographic notes made  
14 at said time and place.

15 Dated this 30th day of November, 2021.

16

17

/s/

18

Cheryl A. Seeman, RMR, CRR  
Federal Court Reporter

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